



# Sustainability Report 2022

Redefine Living

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Aspen (Group) Holdings Limited (the “Company” or “AG”) and its subsidiaries (“Aspen Group” or “the Group”) have a diversified business across the property development, healthcare, and food and beverage sectors. The Company was first incorporated as a private limited company in Singapore on 22 December 2016, under the Companies Act 1967. The Group officially commenced trading on the Singapore Exchange Securities Trading Limited (“SGX-ST”) Mainboard on 28 January 2021 following its successful transfer from Catalist.



### Property Development Sector

AG is renowned for developing residential and mixed-use properties at strategic sites in Malaysia, balancing premium infrastructure facilities with reasonable prices. AG’s flagship project, Aspen Vision City (“AVC”) – a joint partnership with Ikano Retail – is a self-sustaining, intelligent metropolis designed to redefine living spaces by embracing sustainability. Strategically located in Batu Kawan, Penang, AVC integrates green living features with infrastructure and amenities of the highest calibre.



### Food & Beverage Sector

Kanada-Ya SG Pte Ltd (“Kanada-Ya”) obtained the master franchise rights for operating specialised authentic Japanese ramen dining outlets under the ‘KANADA-YA’ brand, first formed in Japan in 2009. Kanada-Ya has exclusive territorial rights to establish and operate KANADA-YA outlets in Malaysia, Thailand, and Singapore and develop the KANADA-YA franchise. Notably, The Telegraph has voted the KANADA-YA brand as the best ramen in London.



### Healthcare Sector

The Company ventured into the glove manufacturing business through Aspen Glove Sdn Bhd (“Aspen Glove”) on 12 August 2020, with a focus on manufacturing high-quality gloves under stringent international quality and healthcare standards.



Aspen Vision City Sales Gallery





## Vision

Grow global, Stay agile



## Mission

Accelerate our scalable journey towards globalisation with excellent corporate governance, sustainable environment stewardship, empowered social inclusion and disruptive digital transformation





## Core Values

These values define our culture, guide the way we treat each other, and how we run our business.

In Aspen, we live by these core values, which enable us to focus on creating innovative products, making ethical decisions, building relationships and taking accountability for our actions.

### BE A CATALYST FOR POSITIVE CHANGE



Our benchmark is to deliver products that elevate the standard of living. Before we embark on any work, we challenge ourselves with the question, “Will our actions spark positive change by making life better for people?”. Every plan is thought through in detail and measured against this benchmark before proceeding. To be a catalyst for positive change is the mantra that shapes our attitude towards work and the way we relate to one another.

### BUILD ON RELATIONSHIPS



We are committed to fostering open communication and acting with integrity in all our relationships. With every service we provide, every business partner and vendor we do business with, every Aspenian and with people we have yet to meet, we strive to ensure every interaction builds into being a loyal, long-term relationship that is mutually beneficial.

### COLLABORATE TO INNOVATE



Our business model is to deliver best-in-value solutions and services through new opportunities, smart ideas and strategic collaborations. To achieve our business model we innovate to breathe new life into what we have to work with and we encourage Aspenians to be innovative thinkers who challenge and redefine the status quo. This mentality, together with our business model, is the blueprint upon which we build our organisation and nurture our people.

### BE COMMUNITY-CONSCIOUS



As a Group with diversified business interests and an expanding presence, everything we do has an impact on the communities we serve, locally and globally. We are in a unique position where we can think and act holistically, and our Corporate Conscience Programme gives Aspenians the opportunity to reach out to the less fortunate and those who are in need of a helping hand. We organise activities that are relevant and intentional through charitable campaigns, educational activities, contributions as well as environmental and socio-cultural programmes.

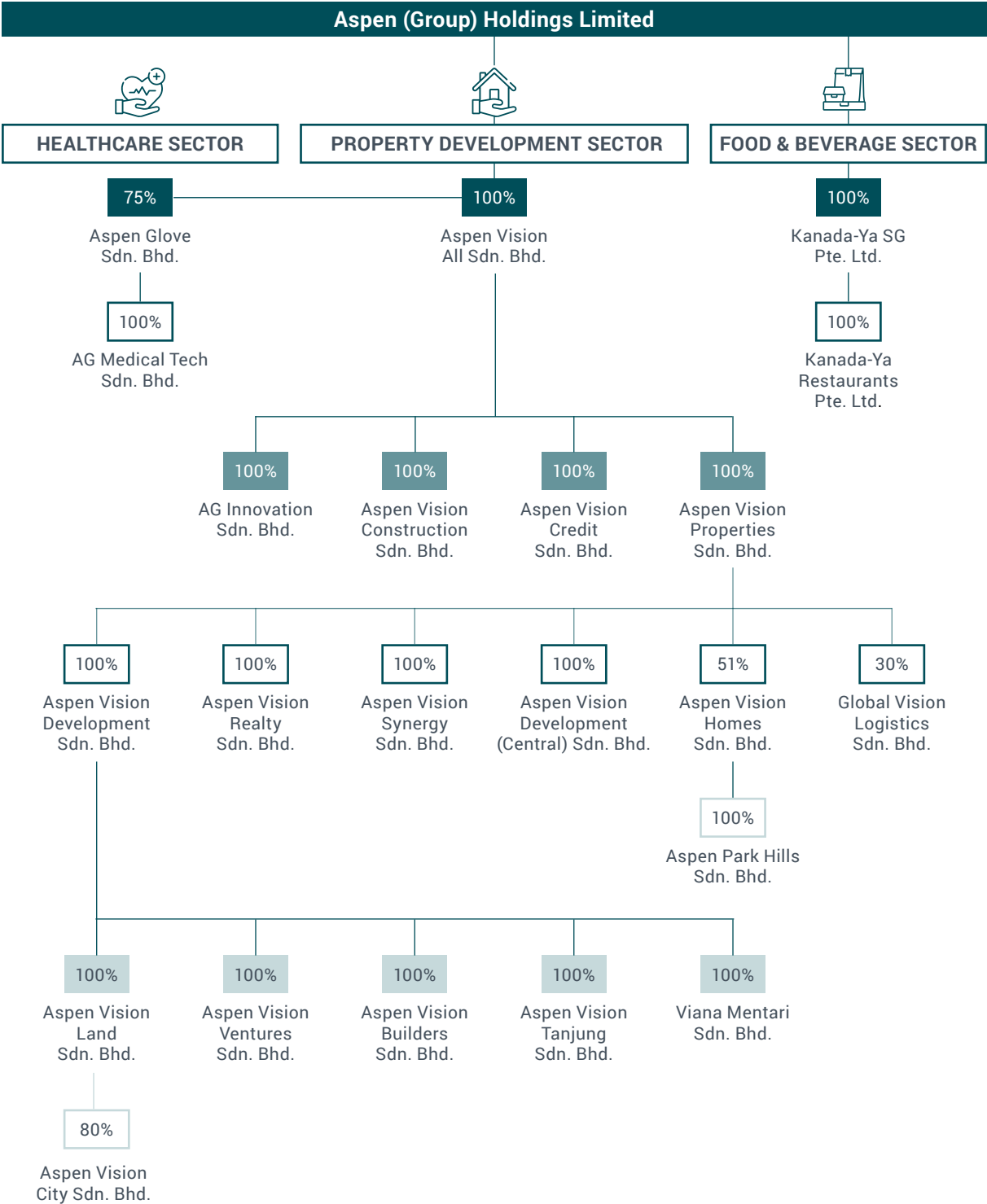
The board of directors (“the Board”) is pleased to present our fourth annual Sustainability Report, in line with the SGX-ST guideline on Sustainability Reporting. This report covers the Group’s commitment and approach to our Environment, Social, and Governance (“ESG”) risk and opportunity areas for the 18 months from 1st January 2021 to 30th June 2022 (“FY2022”). The 18-month reporting period is due to adjusting our financial year to 30th June from 31st December.

The Group recognises the importance of incorporating sound ESG principles within our operations and ensuring our efforts are measured and reported in a balanced, comparable, and relevant manner. To attain this objective and identify potential areas for improvement, AG performed a Gap Analysis exercise against the Global Reporting Initiative (“GRI”) Standards as well as the FTSE4Good indicators. The Gap Analysis will enable us to improve our performance in an effective and targeted way, facilitating future reports to be more aligned with the chosen framework and further promote a culture of sustainability within the organisation over time.



# Scope

The scope of this report includes AG and its subsidiaries:







## Reporting Framework

This report has been prepared per Rule 711B of the Listing Manual of Singapore Exchange Securities Trading Limited (“Listing Manual”) and with reference to the GRI Standards. The GRI Standards have been chosen as our reporting framework of choice as they encompass an inclusive range of ESG disclosure topics. The GRI Content Index is duly included on page 48. This report fulfils the requirement of the Sustainability Reporting Guide (Practice Note 7.6) of the Listing Manual.



## Assurance

AG has not obtained any independent assurance on the information stated in this report. Hence, it is based on our internal data monitoring and validated to be accurate to the best of our knowledge. We may consider acquiring independent assurance to improve our reporting process and transparency in the future.



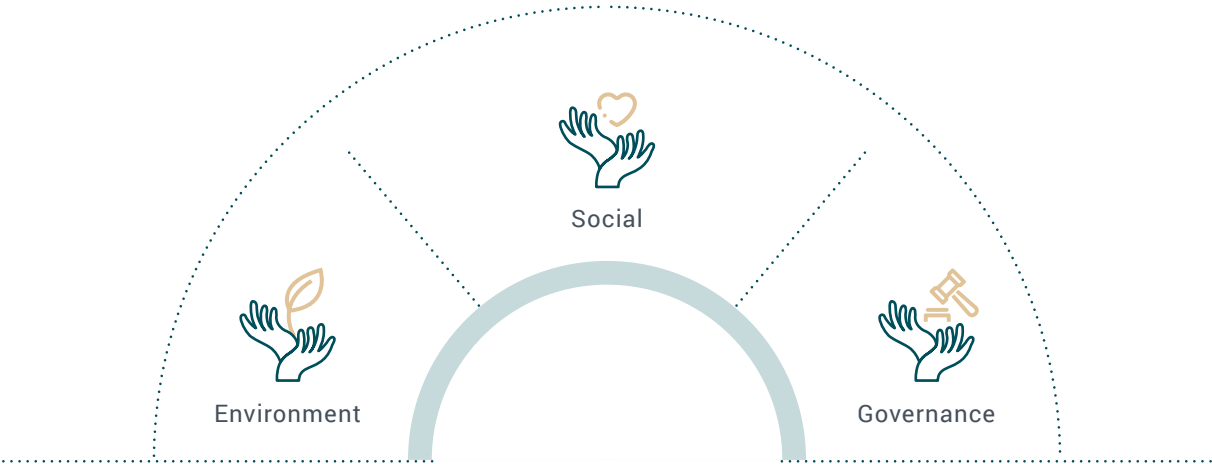
## Feedback

We welcome comments and feedback from our stakeholders to enhance our sustainability performance and initiatives further.

Please contact us at: [corporate@aspen.com.my](mailto:corporate@aspen.com.my)



# Key Achievements and Awards



Environment	Social	Governance
<ul style="list-style-type: none"><li>• Implemented Aspen Group Sustainability Campaign to promote best practises for energy, water and waste management</li><li>• Installed wastewater treatment plant and water recycling system for the healthcare sector</li><li>• Life cycle analysis for our glove manufacturing process</li><li>• Successfully obtained the Green Building Index Silver certification for Vertu Resort</li></ul>	<ul style="list-style-type: none"><li>• Leveraged diversity job boards to expand the hiring talent pool</li><li>• 56.3% of managerial positions within Aspen Group are held by women</li><li>• A total of 4,951 quality training hours for co-workers across Aspen Group</li><li>• Collaborations with numerous non-government organisations to encourage civic duty and community spirit among Aspenians</li></ul>	<ul style="list-style-type: none"><li>• Implemented an Anti-Corruption Framework Manual</li><li>• Zero incidents of corruption were reported within Aspen Group</li><li>• Enactment of Building Management System to evaluate the energy efficiency of facilities</li><li>• Comprehensive quality control measures in Aspen Glove are based on recognised international standards</li></ul>



**Dear Valued Shareholders, Customers,  
Partners, and Co-workers,**

Environmental, Social, and Governance (ESG) performance remained a cornerstone of our long-term value proposition as we contended with challenges of the business environment and operations. We believe that our future growth relies strongly on our ability to operate sustainably.

This entails safeguarding the sustainability of our business operations and fostering the growth and prosperity of the communities where Aspen Group is rooted. We consistently align ourselves with sustainable, value-creating strategies and business models to emerge as a responsible global corporate citizen.

In FY2022, we launched the AG Sustainability Campaign to galvanise Aspenians to continue supporting workplace sustainability efforts. The objective of the campaign was to raise awareness of waste management, water management and energy management, which are all significant issues that could affect the Group's business continuity. Inspiring Aspenians to alter their personal behaviours and implement sustainable work practises will make a significant contribution to accomplishing our ESG goals.

The Group has zero tolerance for all forms of bribery and corruption and we strictly adhere to the Anti-Bribery and Anti-Corruption ("ABAC") Policy developed by the Group in 2020. In FY2022, the Group introduced the Anti-Corruption Framework Manual to build on the ABAC Policy's guiding principles and provide direction on how to deal with improper solicitation, bribery, and other corrupt acts and issues that may arise in the course of business. This will ensure that there are no instances of bribery or corruption in any of the Group's businesses.

Continuing our commitment to the well-being of the community, we launched a nationwide Vax to Win Campaign to promote COVID-19 vaccination among Malaysians while also providing them with the chance to win our development properties and other great prizes. The campaign was one method in which the Group recognised Malaysians who heeded the government's call to get vaccinated, thus contributing to the national solution to the COVID-19 pandemic.

Through the MySTEP Programme, the Group proudly collaborated with local universities and the Malaysian government to offer short-term placement opportunities to fresh graduates from diverse educational backgrounds. The goal of the MySTEP Program was to support recent college graduates with in-demand digital skills to find jobs and close the employment gap.

Our approach to sustainability is constantly evolving. We aspire to protect, renew, and restore the resources on which we rely on. It is imperative for our business and our future to remain vigilant and seek guidance from constructive and meaningful dialogues with stakeholders. This will enable us to respond effectively in taking risks and seizing opportunities to build long-term value.

I look forward to another year of support from all of our stakeholders to ensure that the Group continue to advance its sustainability objectives.

**Dato' M. Murly**

*President & Group Chief Executive Officer*



# United Nations Sustainable Development Goals (“UN SDGs”)

Within the overarching framework of Agenda 2030, the United Nations defined 17 interlinking Goals – the Sustainable Development Goals – outlined to achieve a more sustainable future for everyone by 2030. These goals aim to combat the most pressing global issues, such as extreme poverty, climate change, and social inequalities. As a responsible corporate citizen, we have aligned our business strategies to support the UN SDGs most relevant to our operations and where we feel our efforts can have most significant and lasting impact. We have adopted 11 UN SDGs, with our contributions to each outlined below:



## SOCIAL



- Comprehensive company benefits including grant of share option under the Aspen Vision Employee Share Option Scheme.
- Clear procurement guidelines and priorities when engaging vendors to minimise supply chain disruptions.
- Conducted Training Needs Analysis to ensure effective training programmes for co-workers.



## ENVIRONMENT



- Conducted awareness campaign to highlight ways to repurpose plastic waste.
- Installed a wastewater treatment plant for our healthcare division to improve effluent quality.
- Conducted a life cycle analysis of our glove manufacturing process to determine raw material input.
- Continuous monitoring of energy consumption to identify any unusual trend and rapid response.



## GOVERNANCE

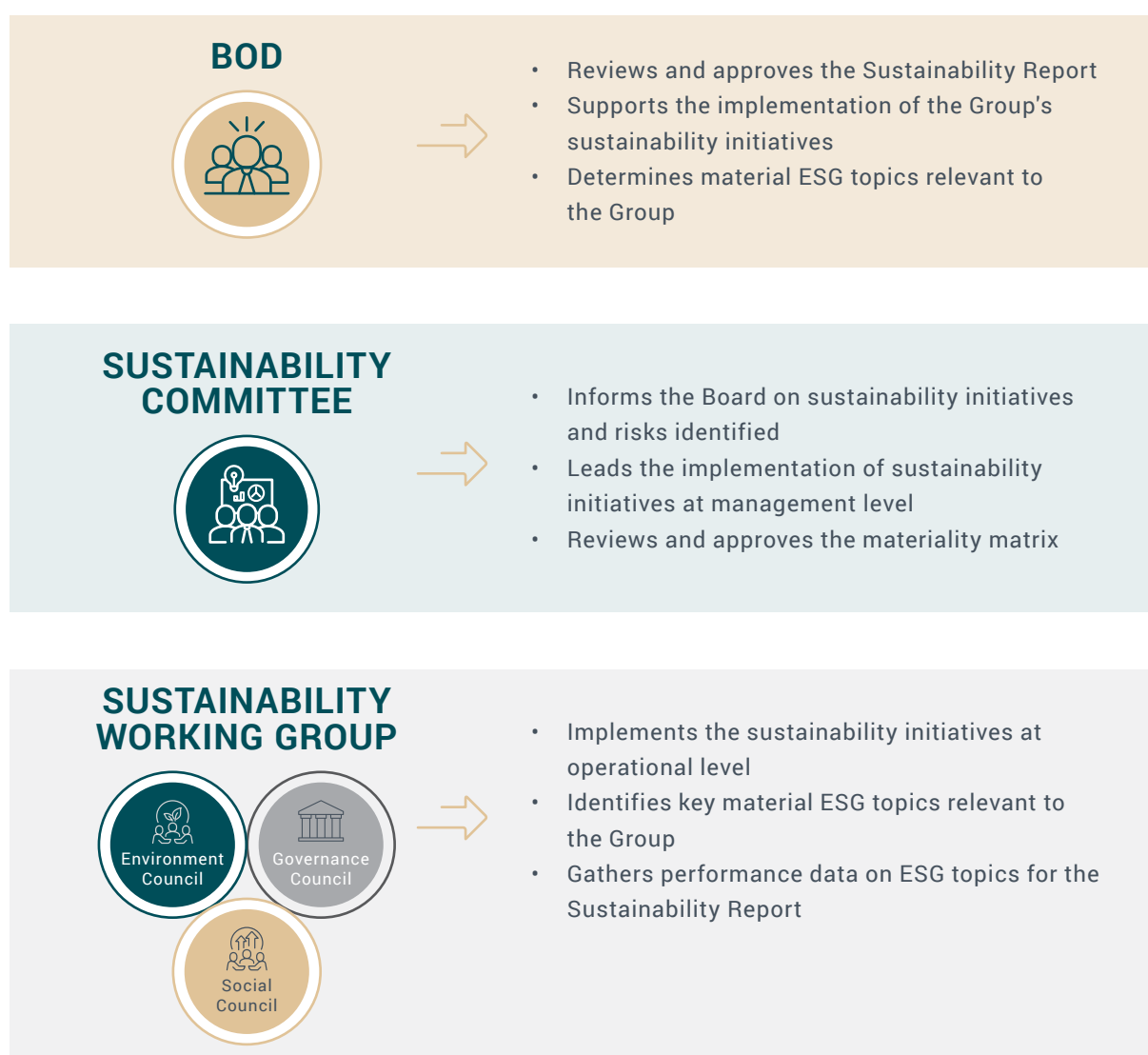


- Establishment of an Anti-Corruption Framework Manual to provide detail on how co-workers should deal with improper business conduct.
- Board oversight over all corporate policies to ensure alignment with business strategy.
- Conduct internal audits to evaluate effectiveness of regulatory control measures and procedure.

## Sustainability Governance

A robust governance structure is essential for the effective management of our identified ESG risks and opportunities. The Group has a three-tier sustainability governance structure in place to focus and effectively implement the Group's sustainability strategy throughout the organisation, including management of goal-setting and reporting systems and ensuring overall accountability.




### Aspen Group's Sustainability Governance Structure






### Board Statement

The Group understands the importance of embedding sustainability throughout our operations and sets the tone for this commitment from the highest echelon. The Board is responsible for selecting, managing and monitoring the material ESG factors of the Group. This comprehensive governance leadership flows down through the rest of the Group, inspiring our team to participate and engage with our ESG strategy and efforts.

Stakeholder engagement is crucial for business growth and development. We leverage our stakeholders' insights to identify and evaluate important topics that could affect business continuity. By regularly engaging with our key stakeholders, we can ensure that we are constantly assessing the impact of our actions within our operating environment and taking our stakeholders' key areas of concern into consideration.

Stakeholder Group	Method of Engagement	Topics Raised	The Group's Response
Co-workers 	<ul style="list-style-type: none"> <li>• Regular engagement surveys</li> <li>• Regular meetings and briefings</li> <li>• Yearly performance appraisal</li> <li>• Townhall session</li> </ul>	<ul style="list-style-type: none"> <li>• Communication</li> <li>• Workplace Environment</li> <li>• Learning and development</li> <li>• Welfare of co-workers</li> <li>• Job security</li> </ul>	<ul style="list-style-type: none"> <li>• Implement COVID-19 standard operating procedures ("SOP") to safeguard health &amp; safety of co-workers</li> <li>• Implement Employee Self Service (part of new HR system) to improve/enhance employee experience</li> <li>• Implement "Human Resources Development Fund's Allocation Plan" to enhance training &amp; development plan</li> </ul>
Customers 	<ul style="list-style-type: none"> <li>• Product launches and promotions</li> <li>• Regular engagement via websites, e-mails, social media platforms and mobile applications</li> <li>• Survey</li> </ul>	<ul style="list-style-type: none"> <li>• Customer experience</li> <li>• Product quality</li> <li>• Project details</li> <li>• Property design features</li> </ul>	<ul style="list-style-type: none"> <li>• Introduced virtual tours for our development projects</li> <li>• Improve property design based on feedback received</li> </ul>
Contractors 	<ul style="list-style-type: none"> <li>• On-site Meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Occupational Health and Safety</li> </ul>	<ul style="list-style-type: none"> <li>• Regular site visits and inspections to advocate best practice</li> </ul>



Stakeholder Group	Method of Engagement	Topics Raised	The Group's Response
Regulators/ Government 	<ul style="list-style-type: none"> <li>• Site visits and inspections</li> <li>• Query</li> </ul>	<ul style="list-style-type: none"> <li>• Health and safety compliance</li> <li>• Environmental compliance</li> <li>• Anti-corruption policy</li> <li>• Listing Rule compliance</li> <li>• COVID-19 SOP</li> </ul>	<ul style="list-style-type: none"> <li>• Introduced Anti-Corruption Framework Manual to elaborate the principles set out in the ABAC Policy</li> <li>• Establishment of Corporate Disclosure Policy</li> </ul>
Shareholders and Investors 	<ul style="list-style-type: none"> <li>• Annual General Meeting</li> <li>• Extraordinary General Meeting</li> <li>• Annual Report</li> <li>• Sustainability Report</li> <li>• SGXNet Announcements</li> <li>• Virtual information session</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate governance</li> <li>• Corporate social responsibility</li> <li>• Financial performance</li> <li>• ESG Indicators</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthen internal SOP to ensure compliance with the relevant laws and regulations</li> </ul>
Community 	<ul style="list-style-type: none"> <li>• Charity and fundraising events</li> <li>• Social media and website</li> </ul>	<ul style="list-style-type: none"> <li>• Impact of the Group's operations on the environment</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate social responsibility programmes</li> </ul>

Material ESG factors are the potential ESG risk and opportunity areas which could help or hinder the Group from achieving our short, medium, and long-term business goals.

## Materiality Reassessment

Our material ESG factors are reviewed annually to ensure relevance to our current business operations and upcoming directions. We reassessed the material ESG factors for this reporting year through a series of engagement sessions with both internal and external stakeholders. The materiality assessment process followed four steps:

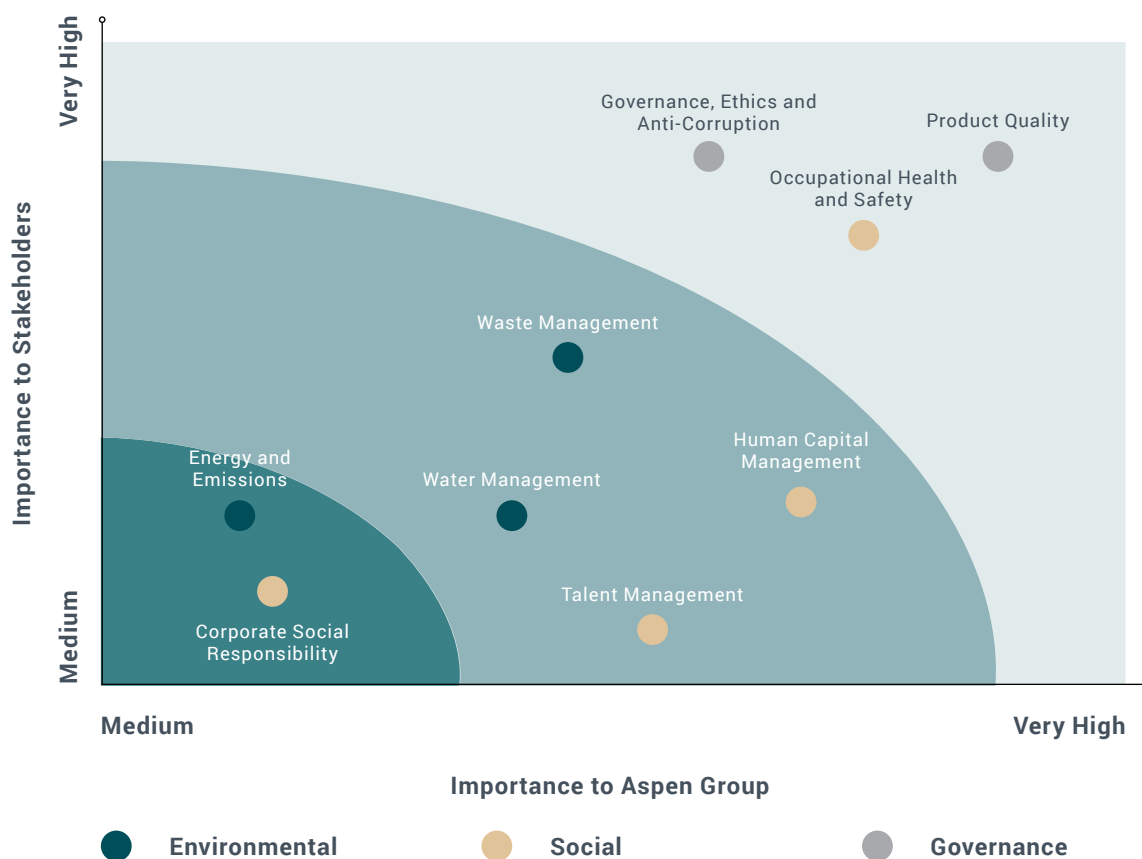


The eight material ESG factors identified in financial year 2020 (“FY2020”) were deemed to continue to be relevant for this financial year by the Board and Sustainability Committee, with the inclusion of one new material matter: Water Management.



## Materiality Matrix FY2022

The materiality matrix was generated from the data collected in the materiality assessment and set out based on relative priority. A total of nine material ESG factors were identified for this reporting year, as presented in the matrix below.



### Topics with increased priority:







- Product Quality
- Waste Management
- Talent Management

Product Quality, Occupational Health and Safety, and Corporate Governance, Ethics and Anti-Corruption remained the top three material ESG factors for Aspen Group in FY2022, as all are critical for maintaining the brand reputation and trust of Aspen Group's stakeholders.

	<b>Product Quality</b>	Ensure customer satisfaction and retain brand reputation by maintaining high-quality standards for products and services
	<b>Occupational Health and Safety</b>	Manage possible hazards at sites and factories while taking precautionary measures to curb the spread of COVID-19
	<b>Corporate Governance, Ethics and Anti-Corruption</b>	Compliance with governmental regulations and conducting business with high ethical standards

## Mapping our Material ESG Topics

Pillars	Material ESG Topics	GRI Standards Disclosure	Key Stakeholder Groups
Governance 	GOVERNANCE, ETHICS, AND ANTI-CORRUPTION  <i>Maintaining high standards of ethical practices promotes accountability and transparency, thus building trust in our decision-making process.</i>	<ul style="list-style-type: none"> <li>• 2-23: Policy Commitments</li> <li>• 205: Anti-Corruption 2016</li> </ul>	<ul style="list-style-type: none"> <li>• Co-workers</li> <li>• Regulators/ Government</li> <li>• Shareholders/ Investors</li> </ul>
	PRODUCT QUALITY  <i>Providing quality products and services is critical for the success of Aspen Group and helps establish our reputation in consumer markets.</i>	<ul style="list-style-type: none"> <li>• 3-3: Management of Material Topics</li> </ul>	<ul style="list-style-type: none"> <li>• Customers</li> <li>• Contractors</li> </ul>
Social    	OCCUPATIONAL HEALTH AND SAFETY  <i>Improving our health and safety practices keeps safety on the minds of our co-workers and helps reduce workplace accidents, thus allowing for more productivity and quality.</i>	<ul style="list-style-type: none"> <li>• 403: Occupational Health and Safety 2018</li> </ul>	<ul style="list-style-type: none"> <li>• Co-workers</li> <li>• Regulators/ Government</li> </ul>
	HUMAN CAPITAL MANAGEMENT  <i>Fostering fair recruitment practices and employee engagement by embracing workplace diversity and inclusivity helps Aspen Group access more expansive talent pools.</i>	<ul style="list-style-type: none"> <li>• 401: Employment 2016</li> <li>• 405: Diversity and Equal Opportunity 2016</li> <li>• 406: Non-discrimination 2016</li> </ul>	<ul style="list-style-type: none"> <li>• Co-workers</li> <li>• Contractors</li> </ul>
	TALENT MANAGEMENT  <i>Promoting employee development by providing upskilling programmes and training sessions enables our co-workers to meet the challenges of a competitive business environment.</i>	<ul style="list-style-type: none"> <li>• 401: Employment 2016</li> <li>• 404: Training and Education 2016</li> </ul>	<ul style="list-style-type: none"> <li>• Co-workers</li> </ul>
	CORPORATE SOCIAL RESPONSIBILITY  <i>Providing financial and in-kind contributions to support local communities or underprivileged groups grants Aspen Group the social license to operate.</i>	<ul style="list-style-type: none"> <li>• 413: Local Communities 2016</li> </ul>	<ul style="list-style-type: none"> <li>• Community</li> </ul>

Pillars	Material ESG Topics	GRI Standards Disclosure	Key Stakeholder Groups
Environment      	<b>WASTE MANAGEMENT</b> <i>Proper waste management is crucial to protecting the environment from inorganic and biodegradable elements and harmful toxins.</i>	<ul style="list-style-type: none"> <li>• 306: Waste 2020</li> </ul>	<ul style="list-style-type: none"> <li>• Regulators/ Government</li> <li>• Community</li> <li>• Co-workers</li> <li>• Contractors</li> </ul>
	<b>WATER MANAGEMENT</b> <i>Water is a finite resource, and maximising its efficient, beneficial use is essential to allow for reduced cost and minimise disruption to our business operations.</i>	<ul style="list-style-type: none"> <li>• 303: Water and Effluent 2018</li> </ul>	<ul style="list-style-type: none"> <li>• Regulators/ Government</li> <li>• Community</li> <li>• Co-workers</li> </ul>
	<b>ENERGY AND EMISSIONS</b> <i>Improving energy efficiency and reducing greenhouse gas ("GHG") emissions is critical to account for the impacts of climate change on our business, stakeholders, and broader supply chain.</i>	<ul style="list-style-type: none"> <li>• 302: Energy 2016</li> <li>• 305: Emissions 2016</li> </ul>	<ul style="list-style-type: none"> <li>• Regulators/ Government</li> <li>• Shareholders and Investors</li> <li>• Co-workers</li> </ul>





## Waste Management

Effective waste management is essential to preventing unnecessary pollution and litter from contaminating our environment, posing a threat to the natural world as well as to the health and comfort of our surrounding communities.

### Awareness on Waste Management

Improper waste management is the result of human actions, and all responsible parties must have a thorough understanding of its ramifications in order to successfully implement any waste management initiative. To educate Aspenians on the importance of waste management, the Group has committed to implementing awareness and communication programmes in FY2022. This was accomplished through the AG Sustainability Campaign, which encouraged all Aspenians to make a commitment to continue supporting sustainability efforts in our workplace. This is in line with the Group's target set in its prior sustainability report.

Waste Management is one of the three primary objectives of the AG Sustainability Campaign. Under this pillar, we provided our co-workers with helpful solutions for reducing landfill waste. We advocate recycling as the preferred method for all office waste, including paper, furniture, and electronic waste, whenever possible. We also encourage co-workers to bring their own utensils when purchasing meals rather than using disposable options.



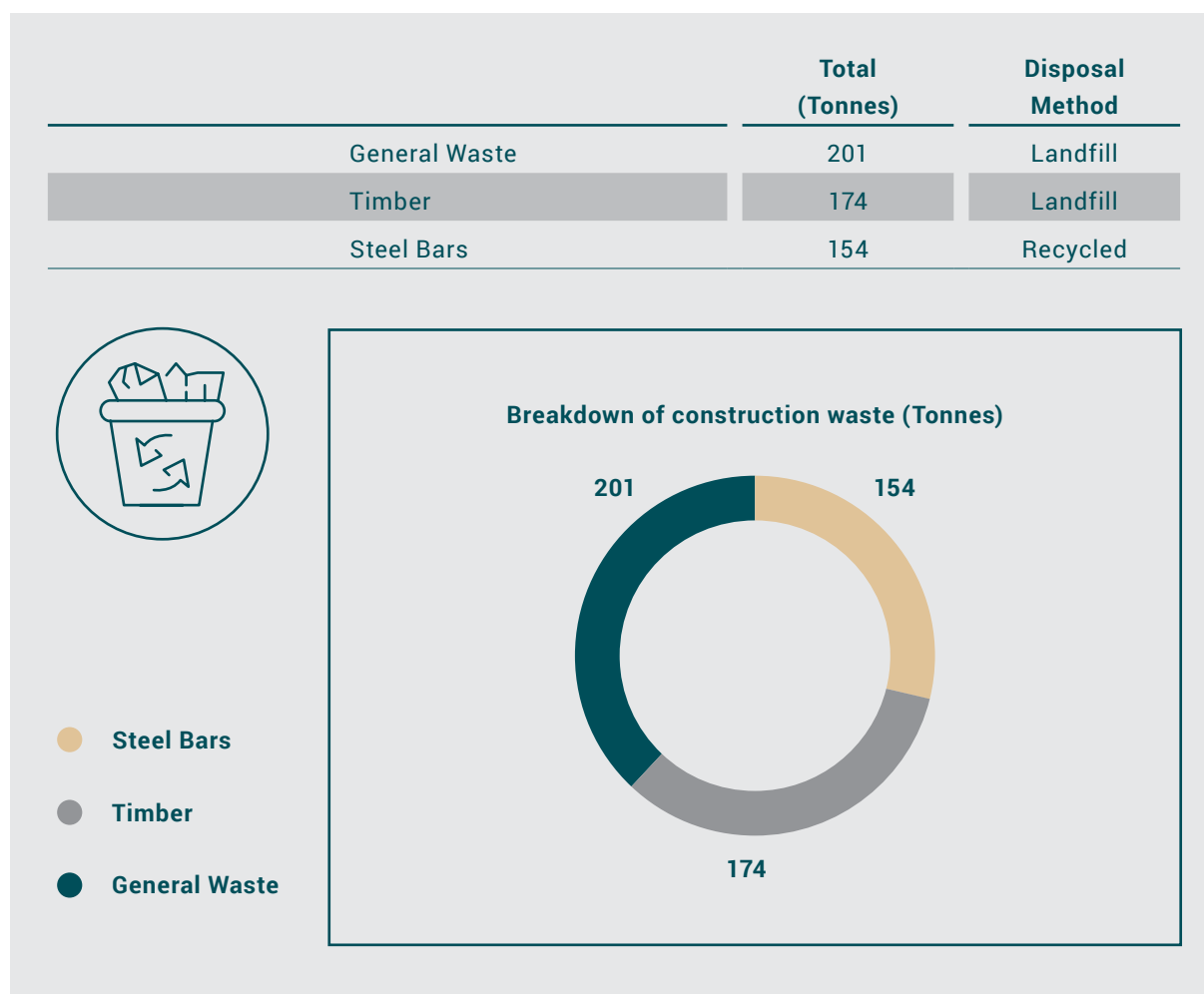
In line with Malaysia's Roadmap Towards Zero Single-Use Plastics 2018-2030, we also conducted an awareness campaign highlighting how the Group can repurpose plastic instead of sending it to landfills. As part of this campaign, our team at the Group's corporate office made commitments to increase their personal use of reusable containers for food and beverages, reducing single-use plastics sent to landfills.



## Property Development Sector

At our property sites, waste generation and disposal are managed by licensed contractors. Our sales galleries are fitted with recycling bins to encourage our staff and visitors to dispose of their waste responsibly.

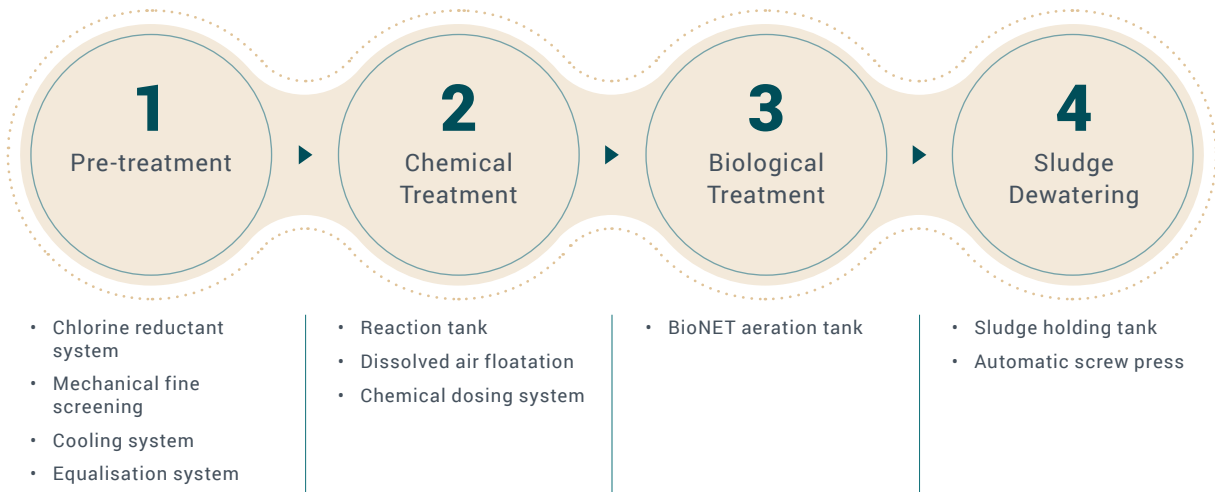
A breakdown of the waste generated from the Group's ongoing projects, Vivo Executive Apartment ("Vivo") and Viluxe for FY2022 is presented below.




## Healthcare Sector

Aspen Glove's operations produce a range of scheduled waste and air pollutants. All scheduled wastes are collected and disposed of by licensed vendors. Scheduled waste production for FY2022 totalled 166.3 tonnes. The factory is fitted with pollution-prevention devices such as a scrubber system (for air emissions) and a water treatment plant (for wastewater), in line with the Group's FY2020 target.

Our wastewater treatment plant began operations in 2021. The total amount invested in this project was RM2,640,000. The system goes through four stages: pre-treatment, chemical, biological, and sludge dewatering. The plant functions to improve water clarity, remove heavy metals, increase recovery of by-products and minimise waste and dust generation.



Water quality is tested and monitored for all effluent discharge to retention ponds. Our recorded water quality values for FY2022 are presented below.

	METRIC	MILLIGRAM/LITER (MG/L)
	SUSPENDED SOLIDS	26
TOTAL NITROGEN	0.5	
CHEMICAL OXYGEN DEMAND (COD)	72	
BIOLOGICAL OXYGEN DEMAND (BOD)	22	
PH	6.9	

To minimise waste production, we carefully monitor all raw material inputs required for the manufacturing process to ensure we only order and consume what is needed. Our gloves have undergone a life cycle analysis process, as required under EN 455-4 of 93/42/EEC Council Directive concerning medical devices. The life cycle analysis assists in determining the shelf life, stability of the completed product and sustainable product development.

### Food & Beverage Sector

Our Kanada-Ya outlets inherently produce waste in line with the nature of the business. The primary waste types generated include wet tissues, takeaway containers, packaging for kitchen ingredients and food waste. Food waste, in particular, is monitored closely so that it can be reduced as much as practical, and careful inventory and stocktakes are maintained to ensure ingredients are not over-ordered.



### Targets Moving Forward

To carry out a waste segregation campaign across the group in order to recycle more items and prevent them from ending up in landfills.

## Water Management

Water is one of our most valuable natural resources, and Aspen Group recognises the importance of conserving and managing water consumption throughout our operations. Effective water management effectively reduces unnecessary consumption and improves operating efficiency by decreasing utility bills and lowering wastewater production.

The second objective of the AG Sustainability Campaign is to raise awareness about water management, for which we have identified simple corporate measures to reduce water waste in the office. The first set consists of encouraging co-workers to adopt an environmentally conscious mindset by turning off water fixtures when lathering and recycling leftover drinking water at the end of each workday. The Group has also replaced all taps in the corporate office that were leaking and distributed reminders to all co-workers to report any leaks they identify.



### Property Development Sector

Water discharge quality is monitored at the construction sites as required under the specific Environmental Impact Assessments for each project, in line with Department of Environment regulations.

Our developments incorporate rainwater harvesting systems to reduce dependence on mains water for certain activities. Our commitment to reducing water use and improving efficiency is demonstrated within our Safety, Health, and Environment Policy.

### Healthcare Sector

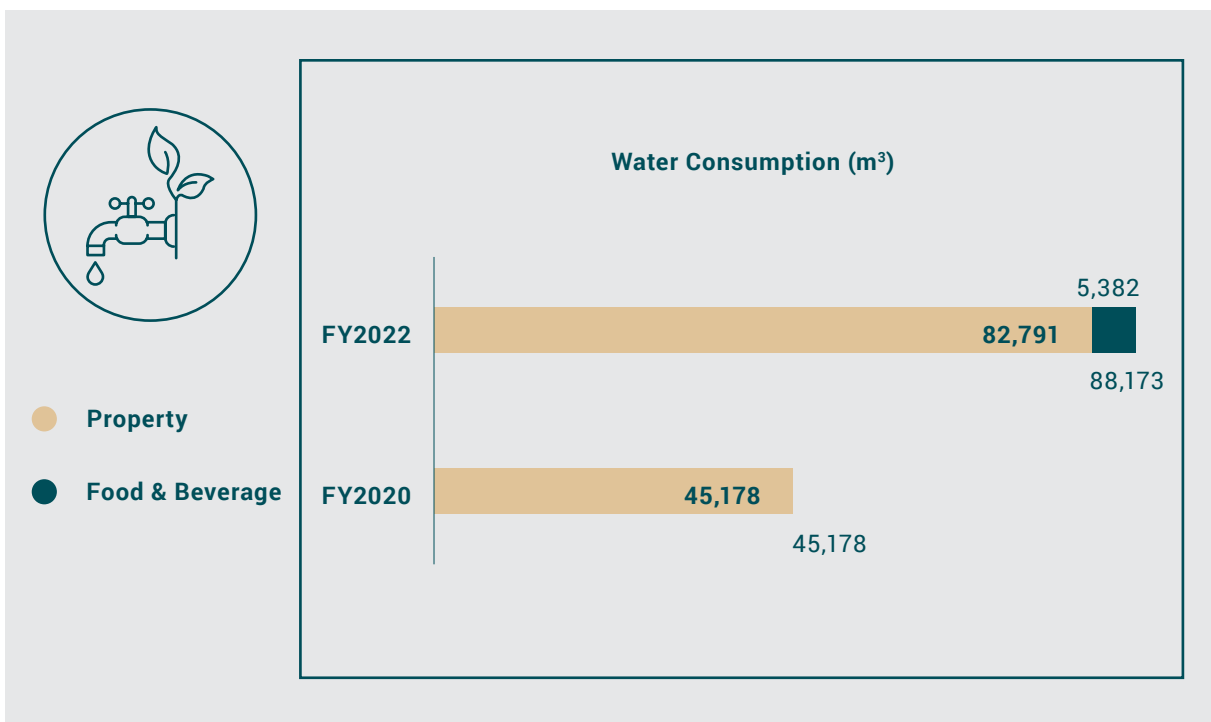
Similar to our property sector, a rainwater harvesting system was also installed at our manufacturing facilities to reduce the amount of potable water usage. The collected rainwater is mainly used for landscaping purposes.



## Food & Beverage Sector

Since Singapore has limited natural water resources, water conservation and management are of paramount importance, especially for our F&B business. The Singapore National Water Agency established new water efficiency requirements for water fittings and commercial equipment beginning in January 2022 to promote greater water efficiency in the non-domestic sector. To meet the government mandate, the Group intends to install water-efficient commercial dishwashers at new Kanada-Ya outlet.

The overall water consumption for the Group is presented below.



## Targets Moving Forward

To install new water-efficient commercial dishwashers at new Kanada-Ya outlet.

## Energy and Emissions

The effects of climate change are becoming more prevalent every day. Governments worldwide have advocated for increased climate action in both the public and private sectors. We strive to mitigate the effects of climate change through the optimisation of our business operations and by fostering eco-conscious mindsets among co-workers.

Electricity consumption constitutes a significant portion of Aspen Group's operational expenses and impacts the total amount of Scope 2 emissions resulting from our business operations. Through our AG Sustainability Campaign, in which the Group identified and disseminated office energy-saving measures, we recognise the importance of energy management. We recommend that all co-workers turn off and unplug their work devices or place them in sleep mode when they are not in use to prevent energy wastage.



Our corporate office lighting is one of the most energy-intensive areas in Aspen. As part of the AG Sustainability Campaign to reduce lighting demand, we installed open-air seating in the dining area to take advantage of the abundant natural light and reduce the need for lighting fixtures.

### Property Development Sector

Our commitment to energy reduction and operational efficiency improvements can be found in our Safety, Health, and Environment Policy. Energy consumption is monitored for any unusual trends to be addressed immediately. Features that require high levels of electricity inputs, such as the air conditioning systems or the water jet in the fountain, are switched on as necessary to align with peak usage times and switched off when not in use.

### Healthcare Sector

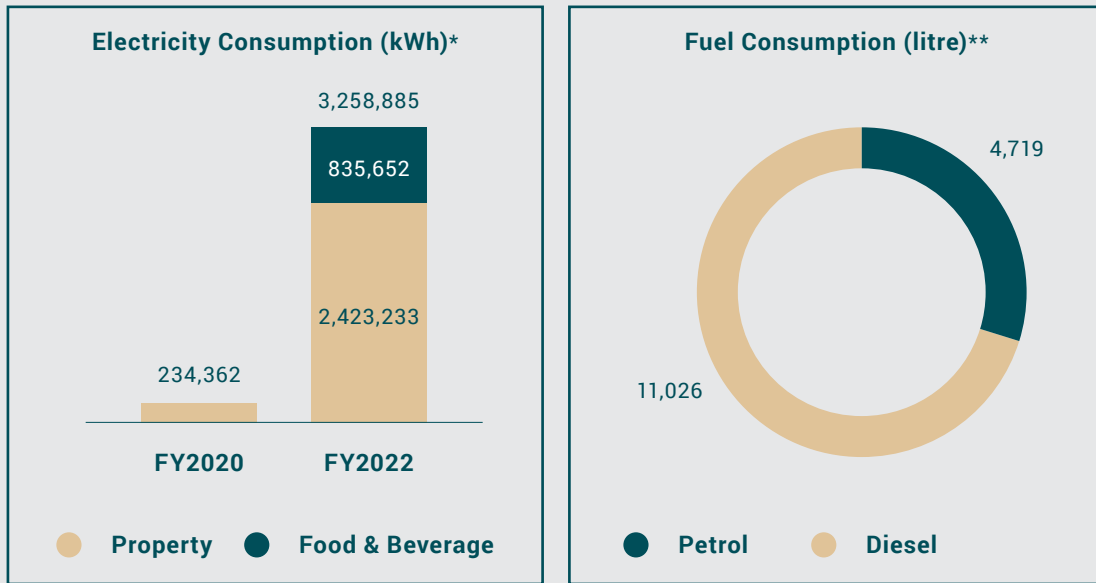
Energy bills and usage are carefully monitored to identify and rectify wastage immediately. We encourage our team to use best practices in energy management, including being conscious of switching off lights and equipment when not in use.

### Food & Beverage Sector

At all Kanada-Ya outlets, we maintain strict protocol to ensure all idle equipment are switched off to prevent unnecessary electricity drain from the grids.

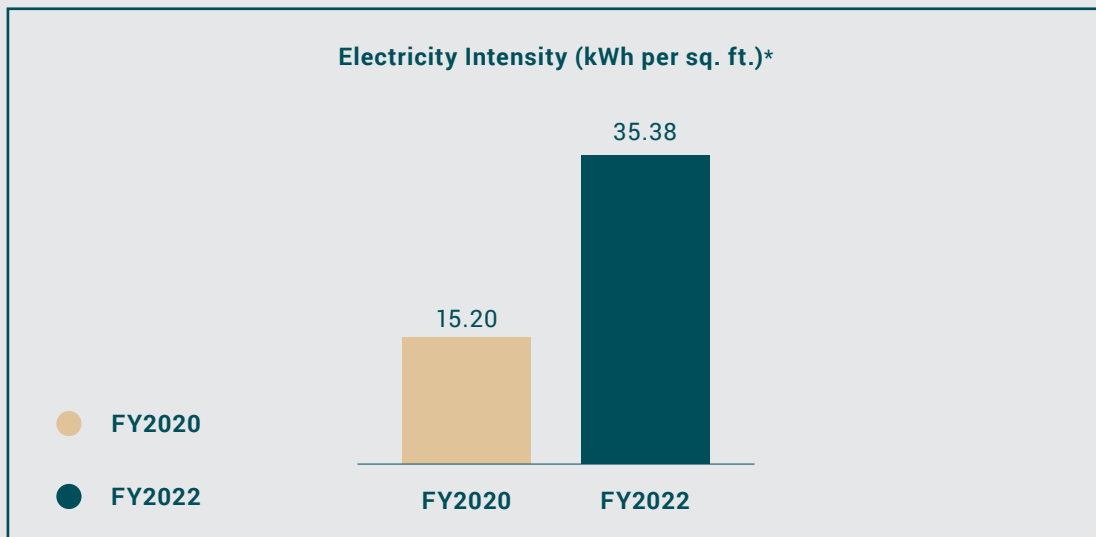


For this reporting period, we expanded our electricity disclosure to include the F&B sector and our managed properties, as opposed to only our corporate office in FY2020. FY2022 also marks our first time disclosing the Group's fuel consumption by our property sector and electricity intensity to determine our operational efficiency. Moving forward, we will strive to improve our disclosure practises to include all Aspen Group business sectors.



\* Only the corporate office electricity data was disclosed in FY2020. FY2022 electricity data includes electricity consumption of Aspen Vision City's infrastructure.

\*\* Fuel consumption is limited to property sector in FY2022.



\* The electricity intensity was calculated using the total floor space of property sector and F&B sector facilities as denominator.



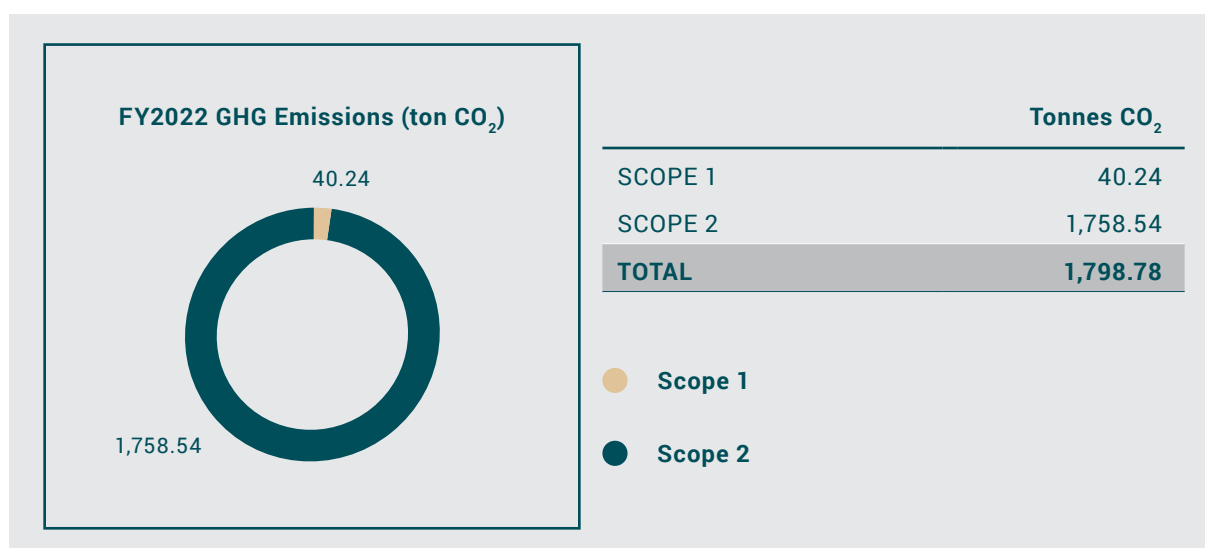
## Climate and Greenhouse Gas Emissions

Aspen Group recognises the significant global risks posed by climate change and we are committed to doing our part to lessen the impacts arising from our operations. Our commitment is to align our business strategy with government initiatives and national policies regarding climate change to manage our carbon footprint and improve operational efficiency.

Climate change accelerated due to the release of carbon into the earth's atmosphere, resulting in what is known as the Greenhouse Effect. A variety of sources can emit Greenhouse gas ("GHG"). These include Scope 1 emissions, which are those resulting from the direct combustion of carbon-based fuel sources, such as diesel or petrol. Scope 2 emissions result from the purchase of grid electricity, generated in part from the combustion of carbon fuels, such as coal or natural gas.

Our total emissions for FY2022 were 1,798.78 tonnes of CO<sub>2</sub>, with an emissions intensity of 0.01953 tonnes of CO<sub>2</sub> per square feet. The Group-wide breakdown of Scope 1 and Scope 2 emissions is presented below<sup>1</sup>.

Scope 2 emissions account for 97.7% of our GHG emissions, with the property sector accounting for the majority. This is because of better reporting practises for electricity and fuel data, which more accurately depicts Aspen Group's carbon footprint.



### Targets Moving Forward

Laptops generally consume less energy compared to desktop computers, hence, the Group aims to switch some of the desktop computers to laptops at its corporate office.

<sup>1</sup> Scope 1 emissions calculated using MYCarbon GHG Reporting Guidelines 2014, with Scope 2 emissions calculated using Malaysia's 2017 Clean Development Mechanism Electricity Baseline and the 2020 Energy Market Authority Electricity Generation for Singapore.



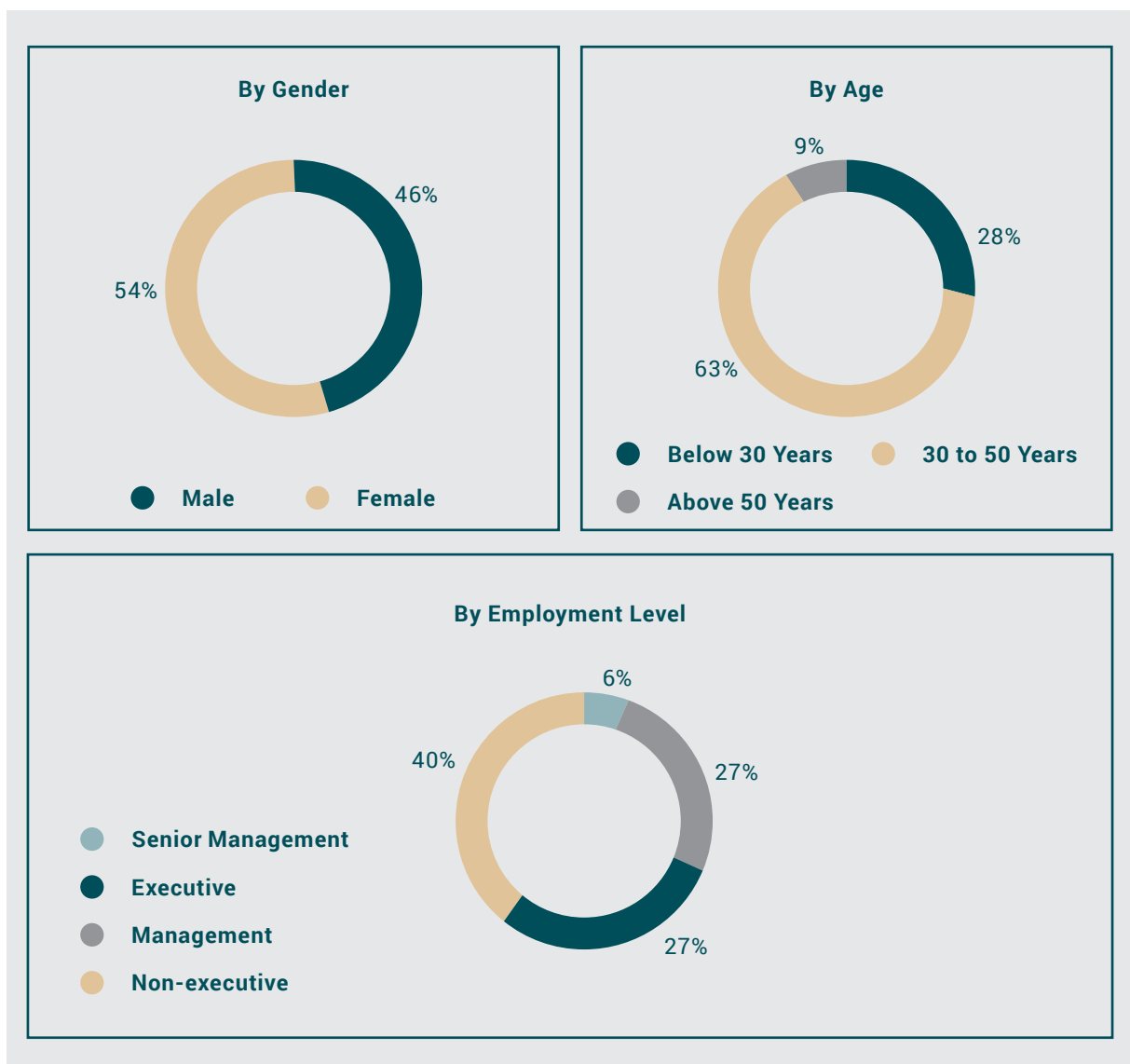
# Human Capital Management

COVID-19 has changed workplace dynamics and forced companies to adapt to the ‘new normal’. The pandemic presented Aspen Group with an opportunity to reaffirm our commitment to a fair and inclusive work environment for all co-workers through effective engagement strategies.

Our business practices (recruitment, training and promotion) are based on the principles of fairness, and meritocracy, regardless of age, gender, ethnicity, or religion. Our recruiters leverage diversity job boards to expand the talent pool accessible to Aspen Group. We also strive to maintain healthy work relations and become a responsible employer through our corporate policies and actions. For the year in review, Aspen Group has reported zero incidents relating to workplace discrimination.

## Diversity and Inclusivity in Our Workforce

As of FY2022, the majority of our workforce are headquartered in Penang Malaysia, where our principal business sector in property development is located. The breakdown of our workforce are as follows:



In line with our FY2020 target, we have endeavoured to achieve a desirable diversity and equality within the workplace. Recognising the importance of providing equitable opportunities for women is critical for the Group's long-term growth and society. On top of the existing 90 days of maternity leave, female co-workers have the option to extend said leave by an additional 30 days with half pay. Our efforts in gender diversity bore fruit, with women comprising 54% of our workforce and 56.3% in managerial positions.

## Job Creation and Employment

In the event of any reorganisation or retrenchment exercise, our F&B sector based in Singapore will comply with Tripartite Guidelines on Managing Excess Manpower issued by the Ministry of Manpower. For our property and healthcare sectors operating in Malaysia, the Group adheres to the Guidelines on Retrenchment Management as outlined by the Department of Labour.

## Benefits and Welfare

We care for our co-workers through a comprehensive benefits package, including but not limited to leave entitlements, insurance coverage and company allowances for our full-time co-workers. Contract workers also enjoy similar benefits as permanent co-workers, promoting an inclusive working environment.

To ease the burdens of working parents, the Group offers generous paid parental leave (up to 120 days for maternity and 30 days for paternity) beyond legislature requirements, providing Aspen Group with a competitive edge when recruiting younger talents with growing families. We also provide support for co-workers who need to manage personal commitments, such as aging parents or childcare, through flexible work arrangements subject to a mutual agreement with the Group management.

In FY2022, had aimed to grant share options under the Aspen Vision Employee Share Option Scheme for key personnel which have contributed significantly to the Group's growth. However, the Group was unable to implement this due to the unprecedented disruption brought about by the COVID-19 outbreak and the management was forced to concentrate on managing the impacts of COVID-19 on the Group's businesses. Despite the delay, the Group expects to complete the grant by end of the next financial period.

	<b>Flexible Work Arrangements</b>		<b>Company Allowances</b>
<ul style="list-style-type: none"> <li>• Work From Home</li> <li>• Flexible Working Hours</li> </ul>	<ul style="list-style-type: none"> <li>• Company Car</li> <li>• Car Allowance</li> <li>• Travel Allowance</li> <li>• Mileage Claim</li> <li>• Handphone Allowance</li> <li>• Outstation Meal Allowance</li> <li>• Laundry Allowance</li> </ul>		
	<b>Miscellaneous</b>		<b>Entitled Leave</b>
<ul style="list-style-type: none"> <li>• Company Mobile Phone and Registered Line</li> <li>• Professional Membership Annual Subscription Fee</li> <li>• Staff Purchase Discount/ Special Packages</li> <li>• Outpatient Medical Benefits</li> </ul>	<ul style="list-style-type: none"> <li>• Annual</li> <li>• Parental</li> <li>• Marriage</li> <li>• Compassionate</li> <li>• Medical</li> <li>• Prolonged Medical Illness</li> <li>• Examination Leave</li> </ul>		
	<b>Insurance Coverage</b>		
<ul style="list-style-type: none"> <li>• Group Personal Accident</li> <li>• Group Hospitalisation &amp; Surgical</li> <li>• Prudential Employee Benefits Solution</li> </ul>			



## Remuneration

Our Group remunerates its co-workers in a manner that commensurate with the co-workers' respective experiences, positions and competencies regardless of gender and this further reinforces the gender equality promoted by the Group. In addition, the Group also complies strictly with the minimum wage policy implemented by the Malaysian government. The Group's salary structure is reviewed annually in line with general industry practice. Periodic benchmarking checks ensure that our salaries and total remunerations are competitive.

## Labour Practices

We are committed to addressing labour issues within our operations in accordance with relevant labour regulations in Malaysia and Singapore. Our Employee Handbook for FY2022 outlines our stance on:

- Preventing the risk of child or forced labour
- Protecting the right to collective bargaining and freedom of association
- Excessive work hours

Furthermore, Aspen Glove has also incorporated labour into its occupational health and safety ("OHS") risk evaluation using relevant matrices. Based on the assessment conducted, zero risk of child or forced labour were identified throughout our healthcare operations in FY2022.

## Supply Chain Management

We proactively engage with key suppliers to establish a more sustainable supply chain beyond our business operations. We achieve this by setting clear procurement guidelines and priorities for local vendors who are less susceptible to supply chain disruptions. Of the 164 vendors, contractors, and service providers engaged by Aspen Group, 163 were locals, with 99% of our Group's procurement budget spent on local businesses.



## Targets Moving Forward

The Group targets to grant share option under the AV Employee Share Option Scheme to key persons who have contributed significantly to the growth and profitability of the Group by end of financial year 2023.

## Talent Management

We seek to build a dynamic and innovative workforce to take the Group to greater heights and have adopted multiple approaches to achieve this goal, including promoting talent mobility amongst current co-workers and hiring and developing new talents.

### Training and Development

Aspen Group provides a diverse set of training programmes to equip our workers with various core skills and competencies to remain competitive in the current market. We conduct a Training Needs Analysis annually to ensure our training and development programmes reflect current business needs for upskilling and capacity-building purposes. We take our co-workers' opinions into account through training evaluation forms distributed at the end of each training session, where feedback obtained will be recorded for future improvements.

For this reporting period, the Group invested approximately RM90,415 into training programmes for our co-workers, with a total of 4,951 hours recorded across the Group and an average 23.14 training hours per employee. We offer training opportunities to 100% of our co-workers to expand or refresh their knowledge base.

### Key Training Programmes



#### Accounting and Finance

- Internal Audit Workshop
- Advance Corporate Tax Issues and Strategies
- Malaysia Property Taxes: Practical issues and insights
- Complete Toolkit for MFRS
- Corporate Reporting and Preparation of Financial Statements



#### Leadership Training

- Training on the roles and responsibilities of a director of a listed issuer as prescribed by the SGX-ST and in accordance with the Listing Manual
- Directors duties and responsibilities under the Companies Act 2016



#### Compliance

- Cyber Security Awareness
- QLASSIC Awareness Course
- Advance QLASSIC and Quality Course
- WSQ food Safety Course



#### Technical Training

- Project Management Technical Training
- Food quality control, raw food handling and storage
- Customer service and staff efficiency
- Kitchen Fire Prevention and Healthier Work Environment
- First Aid
- Safety Induction
- ERT Training
- Chemical Safety & Handling



## MySTEP Programme

Our property and healthcare sector collaborated with universities and Government MySTEP Programme to offer short-term placement opportunities for fresh graduates from different educational backgrounds. The MySTEP Programme allowed the Group to identify new talents and future leaders with high potential.

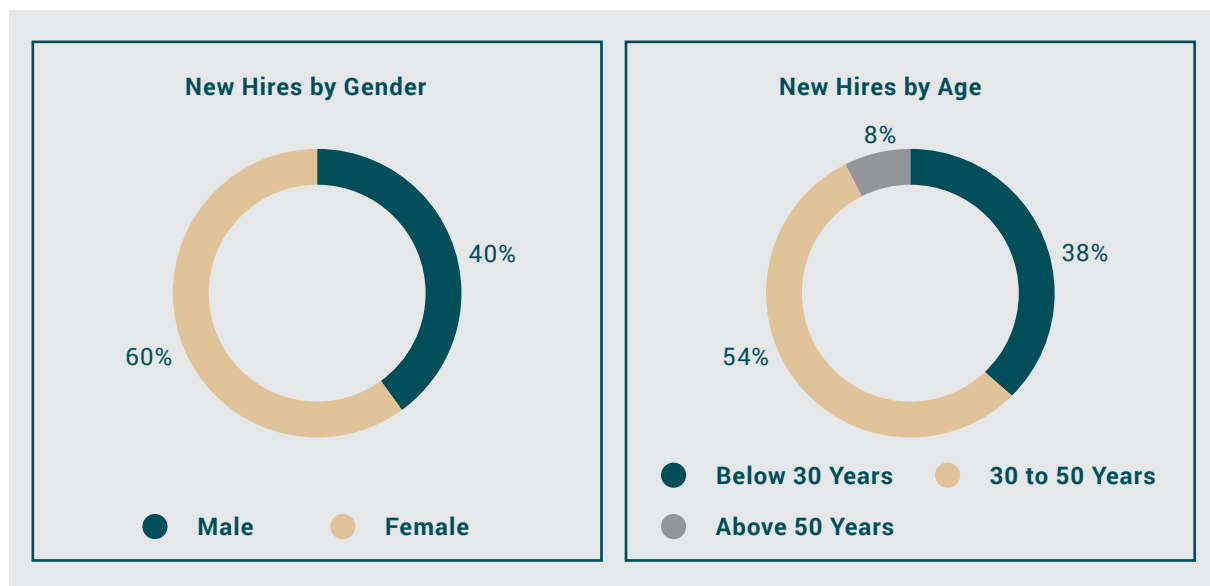
## Performance Appraisals

As our commitment to meritocracy, the Group’s basis for co-worker promotion and compensation is performance-based. All candidates are assessed based on their individual achievements and accomplishments by respective superiors and key management personnel during the annual performance appraisals. A performance review will be carried out at the end of their probationary period for new hires and interns.

As of FY2022, all co-workers in the Group underwent at least one performance appraisal or career development review to provide guidance in our co-worker’s professional development efforts.

## New Hires

For this reporting period, Aspen Group hired 92 new co-workers in FY2022, a 240% increase compared to the 27 new hires recorded in FY2020 as we expand the scope of our sustainability report<sup>2</sup>, with the breakdown as follows:



## Targets Moving Forward

The Group hopes to continue its effort to offer training programmes based on the specific needs of our co-workers and in line with their career progression within the organisation.

<sup>2</sup> Property and F&B sector only.



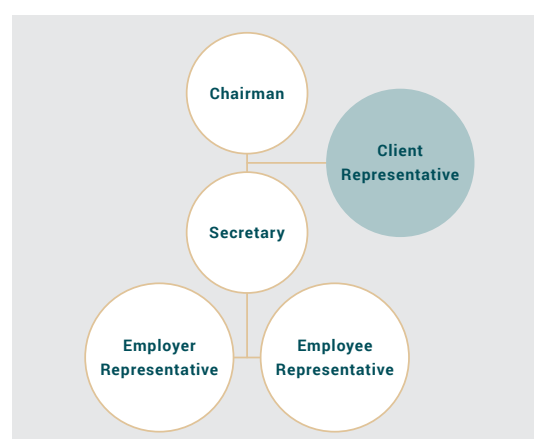
## Occupational Health and Safety

In line with our Safety, Health, and Environment (“SHE”) Policy, we champion best industry practices with commitment from top management and support from our co-workers. Beyond caring for our direct co-workers, the Group’s SHE Policy places equal importance on the safety and wellbeing of all personnel working within our premises, including external contractors, suppliers, and visitors.

The Group’s continuous dedication to SHE is driven by the Board, which maintains oversight of the implementation and management of all health and safety practices and SOPs. The Group-wide annual risk assessment identifies potential risks or shortcomings in our current OHS practices, with corrective actions proposed to rectify any reported issues.

### Property Development Sector

Maintaining strict OHS procedures is critical for our property sector due to the greater risk of injury inherent to the industry. We have in place robust worksite inspection procedures and monthly audits to identify workplace hazards and ensure all activities comply with all Group and regulatory requirements. A separate committee is established for each project site and convenes every quarter to discuss all reported incidents or topics.



Apart from the monthly audits, we also encourage all co-workers to be forthcoming in reporting any relevant OHS incidents, including non-compliances and non-conformities, to relevant OHS committee representatives. Should co-workers deem the actions taken insufficient, a 'Stop Work Order' will be issued, and an ad-hoc management review is conducted for further action. Coupled with our video surveillance systems in all ongoing development projects, the Group can accurately and reliably investigate untoward incidents via automated video analysis technology.

In FY2022, we arranged weekly Toolbox Meetings for all site workers to raise awareness of possible hazards and reinforce our values for co-workers’ safety and wellbeing. The Toolbox Meetings and an on-site notice board also serve as a communication platform to brief workers on any changes to the SOPs.





## Healthcare Sector

Proper facilities management is critical for maintaining the operational efficiency of our business. We place great emphasis on encouraging co-workers to uphold safe and healthy work environments at the forefront of our business processes. In FY2022, Aspen Grove was ISO 14001 and ISO 45001 certified, demonstrating our commitment to implementing a comprehensive OHS management system.

As part of our Hazard Identification, Risk Assessment, and Risk Control (“HIRARC”) measure, we established procedures to report and investigate workplace accidents or incidents. We also obtained ISO 14971 certification to bolster confidence in our corporate framework for reviewing and monitoring the risk management system, specifically for medical devices, per industry best practices.

Similar to Property Development, a Safety and Health Committee has been established with a representative from every department, which meets quarterly to discuss the current status of OHS practices. Co-workers and workers will be informed of updates to any OHS matter via notice boards, email memos, induction briefings, or line walks.

To properly instil a safety mindset in our co-workers, we organised a series of workshops and training sessions ranging from industry trends and incident reporting procedures to first aid and emergency response. The sessions are conducted both physically and virtually, depending on the nature of the topic. 55 sessions were conducted for 748 participants, amounting to an average of 4.8 hours per co-worker.

These efforts are in line with the Group’s target set in its prior sustainability report.

## Food & Beverage Sector

Our new employees undergo the required safety training and drills to familiarise themselves with the rules for operating kitchen equipment and other general safety precautions to ensure our kitchens are running efficiently and safely with the highest quality of food and service.



## COVID-19 Measures

Since the onset of COVID-19, Aspen Group's priority has been to prevent workplace infection through proactive measures and minimise the risk of hospitalisation by promoting vaccination amongst co-workers. Our Group has implemented and maintained various internal SOPs since FY2020 aligned with relevant Ministry of Health Guidelines to safeguard coworkers' health across all business sectors.



Physical  
Distancing



Provision of  
Face Masks



Temperature  
Screening



Workplace  
Sanitisation



Health  
Declaration



Provision of  
Hand Sanitisers



COVID-19  
Test Kits



Flexible Working  
Arrangement

We strongly encourage all co-workers to be vaccinated against COVID-19. Following the mass production of COVID-19 vaccines, Aspen Glove participated in PIKAS, a public-private partnership vaccination programme to expedite vaccination amongst our co-workers. All staff members were given a 30-minute briefing on the importance of immunisation, with critical information posted on the Aspen Glove notice board. A vaccination policy was also announced, which mandates that all co-workers be fully vaccinated against COVID-19. As a result of our efforts, our Group is proud to state that 100% of our co-workers have received both doses, with 98% receiving their first booster shots.







## Our OHS Performance



Targets

To implement occupational health and safety practices for Aspen Grove  
To maintain **ZERO** incidents involving any permanent injuries or fatalities in 2021



Performance

Successfully implemented OHS management system with ISO 45001 certification  
**ZERO** incidents of work-related fatalities  
**ZERO** incidents of work-related permanent injuries

For the year in review, we maintained our record of zero work-related injuries involving Aspen Group staff from our property sector. We take all workplace injuries seriously and will investigate incidents to determine the root cause before implementing appropriate follow-up measures. As recommended by industry best practices, we will continue to monitor our OHS performance to review current effectiveness and identify weaknesses for improvements.



	FY2019	FY2020	FY2022
Total no. of work hours	411,840	480,480	762,840
No. of work-related injury	0	0	0
No. of work-related fatalities	0	0	0
Lost Time Injury Frequency Rate	0	0	0



## Targets Moving Forward

To maintain zero incidents involving any permanent injuries or fatalities in financial year 2023.

## Corporate Social Responsibility

Despite the restrictions imposed by COVID-19, we continued our community engagement efforts in FY2022, collaborating with non-government organisations (“NGOs”) and local institutions to improve the quality of life for the communities within which we operate. The Group conducts due diligence for all NGOs we engage with in line with best practices. We evaluate the track records and quality of management through their websites and social media to determine their stability, efficiency and reach.

### SERVING THE ELDERLY COMMUNITY

17 February 2021

Co-workers of Kanada-Ya SG Pte. Ltd participated in the Lions Club International community service project. They came together to serve 60 bento lunches to the elderly at Bedok, Singapore.



### CONTRIBUTION TO NEEDY FAMILIES

21 July 2021

Aspen Glove responded to the call of the Lunas police force to help families that were severely affected by the COVID-19 pandemic and the various movement control orders. The Group contributed 100 care packages containing essential food items worth up to RM10,000. The packages were delivered to the Lunas Police Station in Kedah, as they were in charge of distributing the packs to identified families in the Kulim district.







## CHARITY COLLABORATION WITH THE HOPE BRANCH

25 July 2021

Aspen Group took the opportunity to join hands with a NGO led by famous Malaysian actor and comedian Harith Iskandar. The Hope Branch is an initiative founded to help families affected in one way or another by the COVID-19 pandemic and the various movement control orders. Altogether, 1,000 food hampers containing various essential food items were distributed at Aspen House.



## DONATION TO PENANG GENERAL HOSPITAL

11 August 2021

In an effort to help the Penang General Hospital that was overwhelmed with the rising admissions of COVID-19 patients, Aspen Group immediately came forward to donate 120 cartons of mineral water. It is the little things and basic necessities that go a long way, in helping to comfort the hospital's staff and patients.





## PROMOTION OF WORLD PEACE

25 September 2021

Aspen Group was graced by the presence of the Penang Governor, Tuan Yang Terutama Tun Dato' Seri Utama Ahmad Fuzy Bin Haji Abdul Razak who made a pit stop at Aspen Vision City Sales Gallery during his cycling feat in conjunction with the International Peace Day that aimed to promote world peace.



## FOOD CONTRIBUTION TO PENANG CHESHIRE HOME

4 October 2021

Challenged with a wave of COVID-19 infections, the Cheshire Home was desperate for relief from their burdens. Aspen Group quickly responded to their plight and supplied breakfast for all the staff and residents in the Penang Cheshire Home for one week.





## WORLD MENTAL HEALTH DAY

11 October 2021

Aspenians were each given a token of appreciation to commemorate World Mental Health Day. The curated essential oils were a subtle reminder to give mental health the importance it deserves.



## BREAST CANCER AWARENESS DAY

16 October 2021

In support of Pinktober, Aspenians were given face masks specially designed for Breast Cancer Awareness month. It featured a message to show that Aspen Group is aware and cares.



## VIRTUAL HEALTH TALK

30 October 2021

In an effort to promote health and wellness in the community, Aspen Group collaborated with Pantai Hospital Penang and hosted a virtual event to promote living a well-balanced lifestyle. A senior dietitian from the hospital conducted a sharing on nutrition, health and lifestyle topics.



Wellness Redefined

In Collaboration With **PANTAI HOSPITAL Penang**

Are You Really *Well-balanced?*

Speaker - Ms Evelyn Chieng  
Senior Dietitian, Pantai Hospital Penang

30 Oct 2021 (Sat), 5 PM

Redefine Living

AG ASPEN GROUP

## DONATION OF GLOVES

30 December 2021

Gloves are an essential item in a nursing home. They need to be used on a daily basis for the hygiene and comfort of both the caretakers and the residents. As Nursing Home Ehsan was in dire need of this essential item, Aspen Glove came forward to donate over 2,000 pieces of gloves to ease their burden.







## FUNCTIONAL SCREENING AWARENESS PROGRAMME

9 March 2022

Functional screening helps to identify age-related decline in vision, hearing and oral health. Our Kanada-Ya co-workers participated in an outreach volunteer activity that aims to encourage senior citizens to go for this vital health assesment to ensure their wellbeing and comfort.



## RAMADAN FOOD DONATION TO FAMILIES IN NEED

25 April 2022

The holy month of Ramadan is all about sharing and caring. Aspen Group joined hands with Batu Kawan Member of Parliament, YB Kasthuriraani Patto and Bukit Tambun assemblyman, YB Goh Choon Aik to reach out and distribute essential goods to families in need during the fasting month.



## VAX-TO-WIN CAMPAIGN

9 May 2022

In conjunction with the country's 64th National Day celebrations, Aspen Group launched the Vax-to-Win Campaign, a first-of-its-kind initiative to encourage vaccinations among Malaysians when the COVID-19 vaccination drive was into its second phase and in return, stand a chance to win our development properties and other great prizes. The campaign's grand prize was a unit of Vertu Resort. Meanwhile, the first to third prize winners bagged a unit of Vivo Executive Apartment. The fourth to seventh prize winners took home RM15,000 worth of IKEA gift cards; while the remaining 20 consolation prize winners, brought home IKEA gift cards worth between RM5,000 and RM10,000.



### Targets Moving Forward

To conduct at least three community engagement activities throughout financial year 2023.





## Governance, Ethics and Anti-Corruption

Aspen Group's dedication as a responsible business continues to guide our decision-making process through the COVID-19 pandemic and its challenges. We remain steadfast in our approach to conducting business consistent with the highest levels of ethics and integrity and compliance with all relevant laws and regulations.

To demonstrate the Group's commitment to best corporate governance practices, we strictly adhere to the Code of Corporate Governance 2018, in conjunction with the Listing Manual of SGX-ST requirements. For our full corporate Governance Report, please refer to Aspen Group's Annual Report 2022.

### Corporate Policies and Procedures

The Group's expectations towards excellent business conduct are guided by our corporate policies and have been disseminated to co-workers. To enhance transparency and accessibility, the policies are publicly available on our corporate website (<https://aspen.com.my/policy/>).

### Anti-Bribery and Anti-Corruption Policy

We adopt a zero-tolerance stance against any acts of bribery or corruption found within the Group. Embedded in our Anti-Bribery and Anti-Corruption Policy ("ABAC Policy") are the core principles which we have continued to uphold since its establishment in FY2020:

- Declaration of conflict of interest on a periodic and ad-hoc basis where actual, potential, or perceived conflicts arise
- 'No Gift' policy prohibiting offering or accepting hospitality, subject to certain exceptions
- Allow charitable donations and sponsorships for legitimate reasons only
- Prohibition of political contributions and the act of receiving, giving or promising facilitation payments

The ABAC Policy applies to all who are performing work or services on behalf of Aspen Group, including internal stakeholders (co-workers, contract workers, directors) and external (consultants, contractors, service providers, agents, etc). Any amendments or updates to the policy are communicated internally to staff via email.

We will conduct due diligence and review internal controls as part of our risk assessment process to identify potential exposure to risk of bribery or corruption within our business operations. AG identified no significant risk related to corruption across the Group for this reporting period.

Building upon our ABAC Policy and in line with the Group's target set in its prior sustainability report, the Group established an Anti-Corruption Framework Manual ("Manual") in FY2022. The Manual provides further elaboration on how staff should deal with improper solicitation or corruption issues that may occur in business. Both the ABAC Policy and Manual are publicly available on the Aspen Group's corporate website.

In FY2022, there were no reported incidents of corruption within Aspen Group.

## Whistleblowing Policy

Concerned individuals can seek advice or raise concerns about potential misconduct through our Whistleblowing Policy. This includes but is not limited to breaches of corporate policies, conflicts of interest, and improprieties in financial reporting matters. The whistle-blower's identity will be kept anonymous to protect against potential reprisals and an independent investigation of significant issues will be organised, with appropriate follow-up actions.

As of FY2022, there was one incident of whistleblowing reported across the Group and we have taken the appropriate actions taken to address the issue.

## Board Oversight

As good corporate governance practice, all corporate policies are reviewed and approved by the Board and/or the relevant Board Committees, with preliminary drafts reviewed by the management of the Group. New directors are provided with orientation materials to allow him/her to understand the Group's business operations, strategy, policies, corporate functions and governance practices.

## Regulatory Compliance

We conduct internal audits to verify the effectiveness of the Group's current control measures and procedures, and seek external legal advice when required. In FY2022, our healthcare sector received three fines for non-compliance, two relating to mosquito control and one related to overcapacity of scheduled wastes, amounting to RM2,000 in total fines.

The Company and the Executive Directors of the Company were reprimanded by the SGX-ST Listings Disciplinary Committee (the "LDC") for breaching the Mainboard Rules during FY2022. As highlighted by the LDC, the breaches of the Mainboard Rules were partly contributed by the inadequacies of the former standard operating procedures, which were in place during the material time. The Company has since then, adopted a more robust compliance procedure to ensure compliance with the requirements of the Mainboard Rules. Subsequently, the Company's appointed internal auditor had also conducted a gap analysis in order to assist the Company in further strengthening and implementing its internal control policies.



## Targets Moving Forward

Maintain zero incidents of bribery, corruption or fraud across Aspen Group operations.





# Product Quality

## Property Development Sector

Our team undertakes three key stages of quality assessment to ensure that our projects meet our customer’s expectations prior to the vacant possession stage.

- 1) Monthly Quality, Safety & Health Assessment – to verify ongoing compliance of the project to the relevant Quality Management System and the requirements under the ISO 9001:2015 (Quality Management) standard. The safety portion of the assessment is carried out to ensure compliance with all necessary Health, Safety, and Environmental Acts and Regulations, as well as the project-specific Health, Safety, and Environmental Plan.
- 2) Project Final Assessment – to evaluate the overall performance of the main contractor at project completion, including assessment of the QLASSIC score, Cumulative Structural & Architectural scores and Cumulative Safety scores. Both the Implementation and Contract Departments conduct the evaluation.
- 3) Pre-Delivery Inspection – to create a record of any and all items missing, incomplete, damaged, or not operating correctly so that these defects can be rectified prior to customers' vacant possession. The process is initiated as early as possible during the construction cycle so that the contractor is allowed sufficient time to manage the identified defects.



Co-workers undertaking quality assessment in Vertu Resort

	QLASSIC SCORES
TRI PINNACLE	73%
VERVEA	71%
BEACON EXECUTIVE SUITE	79%
VERTU RESORT	82%

### What is QLASSIC?

QLASSIC is a system utilised by the Construction Industry Development Board to assess the workmanship quality of a building in accordance with the Construction Industry Standard (CIS 7:2006).



Our Customer Relations (“CR”) team provides a feedback survey via Google Forms to all customers to ensure ongoing customer satisfaction. Should any inquiries or requests be made using the feedback form, the CR team endeavours to respond within three working days. Any complaints received are acknowledged through personal calls or emails, with a set timeline provided to the customer to resolve the issue.

## Green Building Achievements

Malaysia promotes green design and construction via the Green Building Index (“GBI”) system for rating and certifying sustainable buildings. Under the GBI, construction technique and building design must incorporate energy efficiency, water, and materials usage. The whole life cycle of the building is assessed, including the siting and layout, operation, maintenance and eventual removal or deconstruction.

To date, four of our projects have received Green Building status of at minimum “certified” under the GBI.



Vervea : Certified  
 Vertu : Silver (under Completion & Verification Assessment stage)  
 Vivo : Certified (under Design Assessment stage)  
 Viluxe : Certified (under Design Assessment stage)

In line with the Group’s target set in its prior sustainability report, we successfully obtained the GBI Silver certification for Vertu Resort. Sustainability, social connectivity and the wellbeing of residents are woven throughout the design of Vertu Resort in line with the Eco-City Batu Kawan Guideline<sup>3</sup>.

Some of the highlights features of Vertu Resort include innovative facilities such as electrical vehicle chargers, sensor-triggered LED lighting and license plate recognition system which are smartly designed to contribute directly in lowering carbon emissions and reducing ecological damages.

Water is massively conserved in Vertu Resort with the presence of efficient water fitting – the ‘big fender’ roof and semi-automated car wash that are highly effective in recycling harvested water for plant and watering. Sky terraces are also placed on every four storeys to promote green living and encourage biophilic interaction.



Centralised Waste Management System in Vervea Commercial Precinct



Demonstration of the Centralised Waste Management System



Mayor of Seberang Perai City Council (MBSP), YBhg. Dato’ Azhar Bin Haji Arshad visiting the Centralised Waste Management System



Demonstration of the Centralised Waste Management System To The Mayor of Seberang Perai City Council, YBhg. Dato’ Azhar B. Hj. Arshad

<sup>3</sup> <https://www.mpsp.gov.my/brgonline/garispanduan/perancang/kejiranan-hijau.pdf>





Vertu Resort upholds its vision in its development to reduce carbon emissions and activities that contribute to air pollution through its fitted units that reduce renovation efforts, smoke-free common areas, a bicycle parking bay and cycle lanes.

It also features an automated centralised waste management system which is able to consolidate waste and directly transport it into a sealed container located away from the development area through the application of vacuum technology.

Vertu Resort also has a Building Management System (“BMS”) to monitor and collect data on energy efficiency and other utilities. BMS is also planned for the Viluxe and Vivo projects. All projects with BMS also include smart meters for more accurate tracking and monitoring of electricity data.



## Healthcare Sector

Aspen Glove has received both ISO 9001:2015 Quality Management Systems and ISO 13485:2016 Quality Management Systems – Medical Device certifications. Our dedicated Quality Control Department conducts regular quality assurance tests utilising standard methodologies such as ASTM D5151 (Test method for detecting holes in medical gloves). In addition to assessing the gloves themselves, our product packaging is also inspected to ensure compliance with all labelling requirements. Additionally, our supplier selection, evaluation, and monitoring procedure ensure that all third parties are held to the same high-quality standards as Aspen Glove.

## Food & Beverage Sector

Our F&B team adheres to a strict set of SOPs for food safety, hygiene, and quality. We are currently pursuing the implementation of a customer survey platform to better collect and analyse our customer's feedback. Currently, feedback is obtained through online reviews and customer feedback forms.



The graphic features three circular icons representing customer sentiment: a smiling face (positive), a neutral face (neutral), and a frowning face (negative). A hand icon is pointing to the smiling face. To the right of the faces are five stars, with the first three filled and the last two outlined. Below the icons is the text 'CUSTOMER EXPERIENCE' and a paragraph of text.

### CUSTOMER EXPERIENCE

As we strive to build a brand reputation that is synonymous with quality products and services, we remain committed to enhancing the Group's ability to deliver value to customers by heeding their feedback. During FY2022, we received a total of 116 complaints, of which 99% were promptly resolved by our diligent team.



## Targets Moving Forward

To obtain at least 70% in the QCLASSIC scoring for all completed projects.

GRI Standards	Disclosure		Reference
<b>General Disclosures</b>			
GRI 2: General Disclosures 2021	2-1	Organisational details	2
	2-2	Entities included in the organisation's sustainability reporting	6
	2-3	Reporting period, frequency and contact point	5, 7
	2-5	External assurance	7
	2-6	Activities, value chain and other business relationships	Page 18 & 34 of Annual Report 2022
	2-7	Employees	26
	2-9	Governance structure and composition	11
	2-14	Role of highest governance body in sustainability reporting	11
	2-23	Policy commitments	42-43
	2-24	Embedding policy commitments	42-43
	2-26	Mechanisms for seeking advice and raising concerns	43
	2-27	Compliance with laws and regulations	43
	2-29	Approach to stakeholder engagement	12-13
2-30	Collective bargaining agreements	28	
<b>Material Topics</b>			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	14
	3-2	List of material topics	15
<b>Waste Management</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	18-20
GRI 306: Waste 2020	306-2	Management of significant waste-related impacts	18-20
	306-3	Waste generated	19
	306-4	Waste diverted from disposal	19
<b>Water Management</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	21-22
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	21-22
	303-2	Management of water discharge-related impacts	21-22
	303-5	Water consumption	22

GRI Standards	Disclosure		Reference
<b>Energy and Emissions</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	23-25
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	24
	302-3	Energy intensity	24
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	25
	305-2	Energy indirect (Scope 2) GHG emissions	25
	305-4	GHG emissions intensity	25
<b>Human Capital Management</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	26-28
GRI 401: Employment 2016	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	27
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	26
GRI 406: Non-discriminations 2016	406-1	Incidents of discrimination and corrective actions	26
<b>Talent Management</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	29-30
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	30
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	29
	404-2	Programs for upgrading employee skills and transition assistance programs	29
	404-3	Percentage of employees receiving regular performance and career development reviews	29



GRI Standards	Disclosure		Reference
<b>Occupational Health and Safety</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	31-34
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	31-34
	403-2	Hazard identification, risk assessment and incident investigation	31
	403-4	Worker participation, consultation and communication on occupational health and safety	31-32
	403-5	Worker training on occupational health and safety	31-32
	403-9	Work-related injuries	34
<b>Corporate Social Responsibility</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	35-41
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessment and development programs	35-41
<b>Governance, Ethics and Anti-Corruption</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	42-43
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	42
	205-2	Communication and training about anti-corruption policies and procedures	42
	205-3	Confirmed incidents of corruption and actions taken	43
<b>Product Quality</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	44-47

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